

Ringwood Town Council

Ringwood Gateway, The Furlong, Ringwood, Hampshire BH24 1AT

Tel: 01425 473883

www.ringwood.gov.uk

SUMMONS

Dear Member

23rd January 2025

You are hereby summoned to attend a meeting of the Town Council at the Forest Suite, Ringwood Gateway on 29th January 2025 at 7.00pm.

Mr C Wilkins
Town Clerk

AGENDA

1.* PUBLIC PARTICIPATION

There will be an opportunity for public participation for a period of up to 15 minutes at the start of the meeting

2. To receive Apologies for Absence

3. To receive Declarations of Interest

4. CEMETERY COMPLAINT RESOLUTION

To receive a verbal report from Cllr Day

5. POLICE REPORT

To receive a report from Ringwood Police

6. To approve as a correct record the minutes of the meeting on 18th December 2025

7. To receive Minutes of Committees and approve recommendations contained therein:

Recreation, Leisure & Open Spaces DATE :- 8th January 2025

Planning, Town & Environment DATE:- 10th January 2025

Policy & Finance DATE:- 22nd January 2025

RECOMMENDATION: F/6378 Council budget 2025/26 (see separate agenda item)

8. COUNCIL BUDGET 2025/26

To consider the Finance Manager's report (*Report A*) and recommendations from Policy and Finance Committee on 22nd January 2025 (*F/6378 refers*):-

i) To approve the budget for 2025-26

ii) To approve the precept requirement for 2025/26 of £683,620

9. COMMITTEE COMPOSITION AND REPRESENTATION ON OUTSIDE BODIES

- i) To consider any changes to the composition of council committees, sub-committees, working parties or panels
- ii) To appoint a nominee to Ringwood United Charities trusteeship

10. DEVOLUTION OPPORTUNITIES

To receive a verbal update from the Town Clerk (and, possibly, others) on local government re-organisation in Hampshire and to decide whether members should discuss opportunities that may arise for devolution of services or functions to this Council (and, if so, how this should be done).

11.*To receive such communications as the Town Mayor may desire to lay before the Council

12.*To receive Reports from County and District Councillors

13.*To Receive Reports from Ringwood Town Councillors

14. Forthcoming Meetings – to note the following dates:

Recreation, Leisure & Open Spaces	7.00pm	Wednesday 5 nd February 2025
Planning, Town & Environment	10.00am	Friday 7 th February 2025
Policy & Finance	7.00pm	Wednesday 19 th February 2025
Full Council	7.00pm	Wednesday 25 th February 2025

15. EXCLUSION OF THE PRESS AND PUBLIC

To consider exclusion of the press and public from the meeting, in accordance with the Public Bodies (Admission to Meetings) Act 1960, section 1(2), to transact business for which publicity would be prejudicial to the public interest by reason of its confidential nature

16. LEGAL MATTERS

To receive a verbal report from the Town Clerk on legal matters

17. COMMUNITY AWARDS

To consider nominations for Community Awards and arrangements for presentations

If you would like further information on any of the agenda items, please contact Mr Chris Wilkins, Town Clerk, on 01425 484720 or chris.wilkins@ringwood.gov.uk

Council Members:

Chairman: Cllr Rae Frederick, Town Mayor
Vice-Chairman: Cllr Philip Day, Deputy Mayor
Cllr Andrew Briers
Cllr Luke Dadford
Cllr Ingrid De Bruyn
Cllr Gareth DeBoos
Cllr Mary DeBoos
Cllr Janet Georgiou
Cllr John Haywood
Cllr Peter Kelleher
Cllr James Swyer
Cllr Michael Thierry
Cllr Glenys Turner
Cllr Becci Windsor

Officers:

Chris Wilkins, Town Clerk
Jo Hurd, Deputy Town Clerk

TOWN COUNCIL – 29th JANUARY 2025
BUDGET 2025/2026

1. INTRODUCTION

1.1 Policy & Finance Committee members considered a draft budget for 2025/26 at their meetings in November, December and January. The Committee recommended several changes which have been incorporated into this draft budget which was endorsed at the January meeting. This report sets out the revised proposals for the 2025/26 budget and consequent Precept and Council Tax for approval by Full Council.

1.2 This report also includes an update to the revised budget for 2023/24.

1.3 Attached for the Committee's consideration are the following documents:-

Appendix A - Draft summary Council budget, including actual spend 2021/22, to 2023/24, original and revised budgets 2024/25 and revised draft proposals for 2025/26.

Appendix B - Reserves & Provisions at 1st April 2024, and estimated balances at 31st March 2025 and 2026, based on the revised budget 2024/25 and the updated proposals for 2025/26.

Appendix C - Summary of budget preparation assumptions.

2. REVISED BUDGET 2024/25

2.1 In December, a revised budget for the current year was approved. This predicted a budget deficit of £36,733 by year end. The deficit arose mainly because of reduced rental income and lower than anticipated cemetery income.

2.2 There have been some further developments in the current year. Now that the events activity has finished for the year, an analysis of income and expenditure has revealed somewhat better outturn although any surplus generated by events is retained in the events reserve and does not directly benefit the general fund. However, interest generated on invested funds has performed better than expected and despite some modest budget overspends it now seems likely that the outturn deficit will reduce to around £32,000.

2.3 There are some changes in predicted capital expenditure but as this is all funded through reserves, grants and other sources of income, these will have no net impact on the general fund.

2.4 Reserves at the start of the year, including key and rent deposits, amounted to £639,190. (£254,457 General reserve, £365,165 earmarked reserves and £19,569 key and rent deposits). The reserves are expected to move as follows:

• Planned revenue contributions to earmarked reserves	£ 45,100
• Transfer of predicted events surplus for 2024/25	£ 9,815
• Plus cash receipts collected during 2024/25	£ 79,794
• Less Funding capital expenditure	£126,229
• Less balance held for 2023/24 budget underspends	£ 35,225
• Less anticipated deficit on the revenue account	<u>£ 32,117</u>
Net reduction in reserves:	£ 58,862

2.5 Planned and predicted movements on reserves are detailed in Appendix B.

3. DRAFT BUDGET 2025/26

- 3.1** The draft budget has been prepared, initially, on an incremental basis. The original budget for 2024/25 has been adjusted for known and unavoidable changes, any one off items approved for the current year have been removed and a modest range of estimates for inflation have been applied. Inflation rose very slightly for the year to December but is still expected to fall during 2025.
- 3.2** A draft budget was discussed at the December meeting of the Policy & Finance Committee. This indicated that a budget increase of £59,341 would be necessary equivalent to a 9.2% increase in the Council Tax.
- 3.3** The main drivers of the increased budget requirement and hence the deficit, have been falling cemetery receipts the budget for which has been reduced by £11,200 together with a predicted fall of £10,000 in interest generated following the reductions in balances and predicted interest rates. The changes to National Insurance will add an estimated £13,200 to pay costs.
- 3.4** It has also been necessary to increase the budget provision for machinery maintenance and for street lighting, whilst NFDC have increased the recharge in respect of the Gateway building by more than £2,500 above inflation. Furthermore, NFDC have reduced their net contribution towards Gateway costs by £2,625. Inflation accounts for just £16,000 of the increase, or around 2.5%.
- 3.5** Following the December meeting the pay inflation assumption was increased from 2.0% for the year to 2.8%. This increased the budget requirement by a further £4,750. However, since then staff turnover amongst the grounds team has reduced the staffing budget by £8,340. Further agreed adjustments which include a reduction in the discretionary grants budget of £3,200, elimination of the mayor's allowance which hasn't been spent for the last two years, a reduction in the annual contribution to earmarked reserves and a reduction in the subsidy to the events committee will save a further £12,740.
- 3.6** Work has progressed on identifying further savings in order to reduce the Council Tax requirement. These include reducing the budget provisions for fuel, CCTV, property management agents and the environment agency whilst increasing revenue generated through market stalls and allotments. Together these adjustments reduce the budget requirement by a further £8,000. All of these adjustments are based on performance in the current year but do come with the risk that margins are very tight and income and savings targets may be very difficult to achieve.
- 3.7** The combined impact of these changes is that a reduced budget increase of £39,428 will be required which will require a Council Tax increase of 6.12% in order to achieve a balanced budget without drawing on reserves. The wider budget assumptions are included in Appendix C.
- 3.8** Note that the Council Tax base has increased by 0.104% to 5507.3 which means that £1 on the Council Tax will generate £5,507.30. The increase in the base generates an additional £670, at current council tax rates and has been taken into account in the draft budget.
- 3.9** The proposed base expenditure budget, after allowing for adjustments and unavoidable inflation, is £1,184,187, which includes £218,080 capital expenditure funded from grants and reserves. Income is predicted to be £446,692 resulting in a base net budget of £737,495. Net transfers from reserves reduce the budget requirement to £690,031 before any new bids are considered. It should also be noted that it remains likely that there will be some residual spend on current

capital projects although any such expenditure is covered by reserves and any such slippage will not impact the revenue account.

- 3.10** There is just one new bid for consideration in the draft budget. This is to enable the procurement of the services of a company that assists parish and town councils with communications and GDPR/FOI compliance. As the Council has recently agreed a communications strategy, this could save officer time and give us the skills necessary to carry out members' wishes. The annual cost of such a service would be £1,164.
- 3.11** Reserves movements are summarised in appendix B. The opening balance on earmarked reserves is expected to be £338,419 at 1st April 2025 whilst budgeted transfers to reserves will increase this by £41,600. A further transfer from the events committee is expected to add a further £5,582 but this will be entirely dependent on performance during the year. Transfers to the revenue budget from reserves amount to £6,806 whilst a further £87,840 will be used to support capital projects during the year (including some replacement plant and equipment). Grant income of £68,080 is anticipated and this will be taken to reserves pending its application. This means that the predicted balance of earmarked reserves at 31st March 2026 will be £359,036.
- 3.12** The budget proposals include a transfer of £7,575 from the general reserve to fund the temporary shortfall in rental income resulting from the Southampton Rd vacancy. The plans set out here would therefore result in a modest increase in total reserves of £13,041 in 2025/26, before any unplanned expenditure that may necessitate an additional transfer from reserves. At this stage it is impossible to predict the level of CIL receipts that might be expected, but these too will be added to earmarked reserves. The General reserve is expected to reduce to £214,765.

4. FINANCIAL IMPLICATIONS

- 4.1** The proposed budget, including the new bids, will result in a Council Tax requirement of £683,620 for 2025/26, an increase of 6.23% from 2024/25. However this increase is mitigated by the small increase in the Council Tax base and so it would require an increase in the Council tax of 6.12% in order to achieve a balanced budget. This represents an increase of £7.16 per annum per band D property.
- 4.2** Many of the individual budgets have been shaved, frozen or cut for the last few years and there is consequently an increasing risk that the overall budget is vulnerable to any unexpected pressures as has been experienced in the current year. This may result in an increased reliance on the General Reserve to meet unexpected costs or cost increases. The general Reserve balance is expected to be around £215,000 or 31% of the precept.
- 4.3** Similarly, the transfer of some "irregular" spend from the budget has also placed a greater reliance on Earmarked Reserves to meet unplanned expenditure such as building repairs, legal fees, vandalism and so on. The current reserves policy which sets out the rationale for the annual transfers to earmarked reserves will need to be kept under review to ensure that sufficient reserves are in place to meet anticipated needs.

5. RECOMMENDATIONS

- 5.1 Subject to any amendments made at this meeting, **it is recommended that:-**
- 5.2 Members approve the draft budget.
- 5.3 Members approve a precept of £683,620 and consequent 6.12% increase in the Council Tax which will take the Band D equivalent Council Tax contribution for the Town Council to £124.13.

For any further information, please contact:

Rory Fitzgerald
Finance Officer
Tele: 01425 484723

or

Chris Wilkins
Town Clerk
Tele: 01425 484720

RINGWOOD TOWN COUNCIL
BUDGET AND REVISED BUDGET 2024/25 AND
DRAFT BUDGET 2025/26

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1	2	4	5	6	7	8	9	10	11
Committee	Actual 21/22 £	Actual 22/23 £	Actual 23/24 £	0	Budget 24/25 £	Revised 24/25 £	Inflation £	Known Changes* £	Budget 25/26 £
Policy & Finance									
Expenditure	346,301	411,888	391,577		418,378	464,684	7,770	-3,571	430,796
Income	-118,043	-133,528	-215,977		-185,511	-175,923	-1,324	18,050	-168,785
Net Expenditure	228,258	278,360	175,600		232,867	288,761	6,445	14,479	262,011
Transfers to Reserves	16,900	14,000	45,595		16,200	16,200	0	0	12,700
Transfers from Reserves	-1,732	-37,841	-15,042		-3,000	-41,105	0	0	-3,000
Growth bids and adjustments (net of transfers from reserves and income)									1,164
Committee net expenditure	243,426	254,519	206,153		246,067	263,856	6,445	14,479	272,875
Recreation & Leisure									
Expenditure	244,177	1,069,677	2,280,039		482,427	614,292	5,519	11,768	484,747
Income	-38,289	-517,390	-1,962,442		-180,700	-302,548	-251	0	-177,318
Net Expenditure	205,888	552,287	317,597		301,727	311,744	5,268	11,768	307,429
Transfers to Reserves	27,452	17,900	17,900		26,900	26,900	0	0	26,400
Transfers from Reserves	-33,684	-365,598	-85,180		-87,407	-95,741	0	0	-89,416
Growth bids and adjustments (net of transfers from reserves and income)									0
Committee net expenditure	199,656	204,589	250,317		241,220	242,903	5,268	11,768	244,413
Events									
Expenditure	17,892	51,702	41,356		40,048	43,352	469	0	37,418
Income	-32,425	-35,311	-49,857		-28,000	-40,419	0	0	-38,000
Net Expenditure	-14,533	16,391	-8,501		12,048	2,933	469	0	-582
Transfers to Reserves	7,940	0	12,361		0	9,815	0	0	5,582
Transfers from Reserves	0	-10,823	0		-2,048	-2,748	0	0	0
Growth bids and adjustments (net of transfers from reserves and income)									0
Committee net expenditure	-6,593	5,568	3,860		10,000	10,000	469	0	5,000
Cemeteries									
Expenditure	51,123	63,343	66,427		68,802	68,816	1,772	753	70,224
Income	-51,314	-41,041	-37,989		-37,922	-19,432	-896	11,238	-27,609
Net Expenditure	-191	22,302	28,438		30,880	49,384	876	11,991	42,615
Transfers to Reserves	4,000	2,500	2,500		1,000	1,000	0	0	0
Transfers from Reserves	-5,141	-230	-250		-230	-230	0	0	-230
Growth bids and adjustments (net of transfers from reserves and income)									0
Committee net expenditure	-1,332	24,572	30,688		31,650	50,154	876	11,991	42,385
Allotments									
Expenditure	13,246	19,577	23,718		22,844	22,794	594	0	20,858
Income	-5,585	-5,954	-7,791		-6,400	-7,200	-160	-820	-7,380
Net Expenditure	7,661	13,623	15,927		16,444	15,594	434	-820	13,478
Transfers to Reserves	0	0	0		0	0	0	0	0
Transfers from Reserves	0	0	0		0	0	0	0	0
Growth bids and adjustments (net of transfers from reserves and income)									0
Committee net expenditure	7,661	13,623	15,927		16,444	15,594	434	-820	13,478
Carvers Clubhouse									
Expenditure	83,005	100,991	98,786		96,456	103,806	0	0	98,329
Income	-23,123	-26,274	-29,128		-26,500	-29,687	0	0	-26,500
Net Expenditure	59,882	74,717	69,658		69,956	74,119	0	0	71,829
Transfers to Reserves	2,500	2,500	2,500		1,000	1,000	0	0	2,500
Transfers from Reserves	0	-2,841	-165		-1,000	-10,631	0	0	-1,000
Growth bids and adjustments (net of transfers from reserves and income)									0
Committee net expenditure	62,382	74,376	71,993		69,956	64,489	0	0	73,329
Planning, Town & Environment									
Expenditure	32,498	37,993	30,610		30,289	40,746	788	530	41,815
Income	-16,299	-5,850	-1,100		-1,100	-1,100	0	0	-1,100
Net Expenditure	16,199	32,143	29,510		29,189	39,646	788	530	40,715
Transfers to Reserves	3,473	0	3,650		0	0	0	0	0
Transfers from Reserves	-450	-6,016	-2,784		-1,000	-11,000	0	0	-1,000
Growth bids and adjustments (net of transfers from reserves and income)									0
Committee net expenditure	19,222	26,127	30,376		28,189	28,646	788	530	39,715

RINGWOOD TOWN COUNCIL
 BUDGET AND REVISED BUDGET 2024/25 AND
 DRAFT BUDGET 2025/26

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	Total Base Expenditure	788,242	1,755,171	2,932,513	1,159,243	1,358,490		1,184,187
	Total Income	-285,078	-765,348	-2,304,284	-466,133	-576,309		-446,692
	Total transfer to reserves	62,265	36,900	84,506	45,100	54,915		47,182
	Total Transfer from reserves	-41,007	-423,349	-103,421	-94,685	-161,454		-94,646
	Total New Bids							1,164
	Less funded from earmarked reserves							0
	Total Budget Requirement	524,422	603,374	609,314	643,525	675,642		691,195
	Precept	531,856	553,949	610,429	643,525	643,525		683,620
	Covid Relief grant		4,071		0	0		
	Transfer to/-from General Reserve	7,434	-45,354	1,115	0	-32,117		-7,575

RESERVES AND PROVISIONS - MOVEMENT & ESTIMATED BALANCES

1st April 2024 to 31st March 2026

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	Actual Balance 01/04/24 £	Transfers 2024/25 :				Balance 01/04/25 £	Planned and Proposed Movements 2025/26:					Estimated Balance 31/03/26 £
		from Revenue £	to Revenue £	Cash Receipts £	between provisions £		from Revenue £	to revenue		Capital & Other Receipts £	between provisions £	
								base budget £	Growth £			
<u>EARMARKED PROVISIONS</u>												
I.T. & Equipment	25,600	2,700	0			28,300	1,700		0			30,000
Gateway	25,000	0	0			25,000	0		0			25,000
Cemetery	26,033	1,000				27,033	0		0			27,033
Buildings Reserve	64,502	5,500	-1,908	1,158		69,252	4,500	0	0			73,752
Election	0	5,000				5,000	5,000		0			10,000
Vehicle & Machinery	33,883	20,000	-36,000			17,883	20,000		-19,760			18,123
Play Equipment	15,616	6,900				22,516	6,400		0			28,916
Memorials	0	0	0			0	0		0			0
Christmas Lights	0	0	0			0	0		0			0
Carvers Clubhouse equipment reserve	6,682	1,000	-3,248			4,435	1,000	-1,000	0			4,435
Ringwood Events	13,172	9,815	-5,748			17,239	5,582	-3,000	0			19,821
Memorial Lantern	0	0	0	0		0	0		0			0
Carvers Grounds	2,480	0	-90			2,390	0		0			2,390
Carvers Sheds feasibility	3,075		-3,075			0			0			0
Infrastructure & Open Spaces	17,370	3,000	-5,750			14,620	3,000		0			17,620
Open Space Security Measures	1,406		0			1,406			0			1,406
Neighbourhood Plan	3,383	0	0			3,383	0		0			3,383
Football development Project	23,959	0	-23,959			0	0		0			0
Budget Underspends retained for use in 2024/25*	35,225	0	-35,225			0	0	0	0			0
Total Provisions	297,387	54,915	-115,002	1,158	0	238,457	47,182	-4,000	-19,760	0	0	261,879
<u>RESERVES</u>												
Earmarked Reserves:												
Dev Contribs	14,765		-11,000	10,000		13,765		-1,000	0			12,765
Cem Maint	500		-230			270		-230	0	0		40
Dev Cons(CIL)	29,030		-12,461	15,878		32,448						32,448
Capital Receipts	18,942			0		18,942			0	0		18,942
Grants Unapplied	4,540		-21,185	48,030		31,385			-68,080	68,080		31,385
Loans Unapplied	0					0			0	0		0
Maintenance contract fees in advance (Ellingham PC)	0		-1,576	4,728		3,152		-1,576				1,576
Total Earmarked Reserves and Provisions	365,165	54,915	-161,454	79,794	0	338,419	47,182	-6,806	-87,840	68,080	0	359,036
General Reserve	254,457		-32,117			222,340	0	-7,575			0	214,765
Key & Rent Deposits	19,569		-150	600		20,019						20,019
Total Reserves & Customer Deposits	639,190	54,915	-193,721	80,394	0	580,779	47,182	-14,381	-87,840	68,080	0	593,820

BUDGET ASSUMPTIONS 2025/26



Inflation (RPI) is currently running at 3.5% (for the year to December 2024 down from 3.6% in November. CPIH is 3.5% for the same period whilst the CPI is 2.5%, (unchanged from 3.5% and down from 2.6% in November respectively). The next set of inflation indices are due to be released on the 19th February.

Note that some costs and expenditure are linked to inflation, whereas some "non contractual" expenditure is more discretionary and inflationary cost increases may be absorbed by reducing spend, although this may not be without consequence. Other expenditure may be fixed with no inflationary adjustment required. Each expenditure component in the budget has been allocated an inflation type (1-6) which may be modelled on this page.

ASSUMPTIONS:

	%	Type
1 Inflation		
- Pay	2.8%	1
- Utilities	1.5%	2
- Other Expenditure	1.5%	3
- Non contractual expenditure	0.0%	4
- Income	2.5%	5
- Fixed expenditure (i.e. no inflation)	0.0%	6

2 Council Tax Base increase	0.10%
Note, the Council Tax base for 2024/25 is	5,501.6

3 Use of General Reserve	£ 7,575
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The Band D equivalent Council Tax for 2024/25 is: **116.97**

A target Council Tax increase of : **116.97**
would increase the Council Tax to:

And require an additional transfer from reserves of: **£39,428**
which would reduce the general reserve to £ 175,337 by March 2026
(given the assumptions in 1 - 3 on the left) or 25.6% of the annual precept

An increase of 0.10% (assumption 2) will increase the Council Tax base to: **5,507.3**

The General Reserve is expected to be £222,340 at April 1st 2025. This transfer will reduce it to £214,765 by March 2026

Net Budget Requirement and consequent Band D equivalent Council Tax

Based on the above assumptions together with any proposed new bids and adjustments:

	£
Base Budget 2025/2026	737,495
Net transfers to/from earmarked reserves	-47,464
Growth Bids & Adjustments	1,164
- Less funded from earmarked reserves (inc. borrowing)	0
- Less additional income generated	0
Net Budget requirement	691,195
Less funded from general reserve	-7,575
Sum to be funded from Council Tax Payers (Precept)	683,620

Band D equivalent Council Tax 2025/26 **124.13**

The budget requirement and resulting precept, as modelled, represents an increase of 6.12 % in the Council Tax

The Council Tax for 2024/25 is £116.97 per Band D Equivalent

Summary movement on reserves:

	£
Opening reserves 1/4/2025:	
General Reserve	222,340
Earmarked Reserves & Provisions	338,419
Total Reserves 1/4/2025	560,760
Planned transfers in	47,182
Planned transfers out	-94,646
Plus Capital Receipts 25/26	68,080
Less Funding for growth	0
Less use of general reserve	-7,575

Predicted reserves 31/3/2026 :

General Reserve	214,765
Earmarked Reserves	359,036
Predicted Reserves 31/3/2026	573,801
(nb excludes rent & key deposits)	

An increase of one percent on the Council Tax will generate an increased precept of : £6,442
For each increase of £1,000 in the precept requirement, a further £0.182 will be added to the Band D Council Tax